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DEPARTMENT OF MENTAL HEALTH

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Reply To: (213) 738-4601 (213) 386-1297 Fax:

September 28, 2010

TO:

Each Supervisor

FROM:

Palus Kay for Marvin J. Southard, D.S.W.

Director of Mental Health

SUBJECT:

ADVANCE NOTIFICATION OF INTENT TO ENTER INTO SOLE

SOURCE CONTRACT NEGOTIATIONS WITH STEP UP ON SECOND

This memo is to comply with the Board of Supervisors' Policy Manual, Section 5.100, Sole Source Contract, by notifying the Board of our need to initiate a Sole Source Contract. It is the Department of Mental Health's (DMH) intent to enter into contract negotiations with Step Up On Second (Step Up) to provide housing and supportive residential mental health and medical services to forty (40) of the most vulnerable chronically homeless adults in Hollywood over a two year period.

Step Up has been a mental health provider since its inception in 1984. Over the last ten years Step Up has been providing effective programs and services to individuals affected by mental illness and individuals most at risk. Step Up operated a Partners program that evolved into an Assertive Community Treatment model program targeting individuals at the greatest risk of institutionalization. Step Up operated an Assembly Bill (AB) 2034 program since the start of the legislation. In 2008, Step Up transformed several of its programs to Mental Health Services Act intensive service programs such as Full Service Partnership and Field Clinical Capable Services programs targeting individuals who are both homeless and affected by mental illness for both adults and Transition Age Youth populations.

In 2008, Step Up was awarded a grant from Supervisor Yaroslavsky's office to provide street outreach and intensive support services to individuals who are homeless and affected by mental illness identified in the Santa Monica Service Registry, called the Homeless Outreach Mobile Engagement team, with the goal of housing thirty participants in permanent supported housing. Eighteen months into this program they are well on their way of reaching that target.

Step Up has also distinguished itself as a housing developer and service provider. In 2009, Step Up opened two new projects; Step Up on Fifth, a 46-unit permanent supportive housing project targeting individuals who are homeless and affected by Each Supervisor September 28, 2010 Page 2

mental illness, and Daniel's Village, an eight-unit permanent supportive housing project targeting homeless young adults with mental illness. Both projects are fully leased and experiencing the same success as their initial project, Step Up on Second. Several of the individuals identified as "vulnerable" from the Santa Monica Service Registry received permanent supportive housing units at either Step Up on Second or Step Up on Fifth projects. Others have been housed in the local community using Santa Monica Housing Authority Shelter Plus Care vouchers.

The Third Supervisorial District has allocated \$699,806 County General Fund from discretionary funds approved by the Board of Supervisors on April 4, 2006 as part of the County's Homeless Prevention Initiative to fund homeless services for the two-year Hollywood Step Up project.

Unless otherwise instructed by a Board office within two weeks, DMH will proceed with entering into contract negotiations with Step Up, working with County Counsel and the Chief Executive Office.

MJS:TB:MM:mm

c: Mental Health Deputies
Chief Executive Office
Executive Officer, Board of Supervisors
County Counsel
Contracts Development and Administration
Executive Staff
Mary Marx